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April 25, 2001

Magalie Roman Salas Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554 EX CARTE OR LATE FILED

Re: WT Docket No. 00-48, In the Matter of Amendment of Parts 13 and 80 of the Commission's Rules Concerning Maritime Communications

Dear Ms. Salas:

On April 24, 2001, Mitchell Hauser, President and CEO of Maritel, Inc. ("Maritel"), and the undersigned counsel met with Joseph Hersey of the United States Coast Guard and Scot Stone, Jim Shaffer, and D'wana Terry of the Public Safety and Private Wireless Division of the Wireless Telecommunications Bureau of the Federal Communications Commission. The parties discussed Maritel's Channel 16 watch obligations and the status of the above referenced rulemaking proceeding. The attached document was distributed at the meeting.

Pursuant to sections 1.1206(b)(1) and (b)(2) of the Commission's rules, an original and one copy of this letter are being filed with the Office of the Secretary. Copies of the letter are also being served on the Commission personnel who participated in the meeting.

Any questions concerning this submission should be addressed to the undersigned.

Respectfully submitted,

Russe H Dog

Russell H. Fox

Attachment

cc:

Scot Stone
Jim Shaffer
D'wana Terry
Mitchell Hauser

WDC 211088v1

Discussion Paper Maritel's Obligation to Provide Channel 16 Safety Watch Meeting at FCC-April 24, 2001

Background

- The FCC's rules generally require that VHF public coast ("VPC") licensees provide a Channel 16 safety watch. The rules state, however, that a VPC licensee need not provide a safety watch in any area where the Coast Guard is providing a watch over 95% of the VPC licensee's coverage area.
- The FCC's past policies provided that VPC licensees could secure a waiver of the regulations (to maintain a Channel 16 watch) if the Coast Guards coverage area overlapped the VPC licensee's coverage area. Therefore, the current rule is essentially a codification of past policy.
- Prior to the rule change (making the policy into a rule) Maritel secured a waiver of the Channel 16 watch so that it was not required to provide the watch in any area where it provided services.
- Maritel has not provided service in areas that are not covered by the current exemption. Therefore, it has not been required to provide the watch.
- Maritel has no immediate plans to provide service in any area where the Coast Guard is not providing coverage. Therefore, Maritel will continue to be covered by the exemption in the FCC's rules from providing Channel 16 watch.
- Maritel's letter to the Coast Guard Districts states that it will not provide Channel 16 watch services in the future, even in areas where the Coast Guard is not providing a watch ("Coast Guard Unserved Areas"). The Commission's staff has expressed concern regarding this assertion.

Description of Maritel's Proposed Operations

- Maritel will be implementing its digital selective calling ("DSC") based MariNET system in Coast Guard Unserved Areas. MariNET is designed to operate with no operator intervention.
 - > Information embedded in the signal that initiates communication with Maritel will allow call interconnection with the public switched telephone network.
 - > To the extent that non-emergency calls are attempted by non-subscribers, Maritel billing operators will "intercept" the call only to obtain billing information.
 - > To the extent that non-emergency calls are attempted by non-DSC units, mariners will transmit a tone on a Maritel working channel, which will alert a Maritel billing operator to obtain billing information.

Discussion

- A requirement to have an operator available to handle Channel 16 calls (or for any other purpose) is contrary to the FCC's decisions.
 - The FCC specifically envisioned VPC operations without operators in its rule making proceeding. Therefore, for the FCC to now insist on maintenance of a channel 16 watch, which requires an operator, is inconsistent with its decisions to promote automated operations and to allow systems without operators.
- The FCC has authorized VPC licensees over broad geographic areas and has permitted licensees to obtain licenses in multiple areas. These factors are inconsistent with maintaining a channel 16 watch.
 - ➤ In the past, an operator might be associated with one, or possibly several stations. The operator was required to listen for Channel 16 transmissions from one, or at most, several sites. Maritel will have transmitters from many sites. It is physically impossible for one, or even several operators to listen to transmissions on channel 16 from hundreds of transmitter sites.
 - In order for Maritel to comply with a requirement to maintain a Channel 16 watch would be to hire operators to do so, which is not economically feasible or consistent with the FCC's plain statements regarding operator requirements. Alternatively, Maritel would be required to re-engineer its system to employ significantly fewer transmitters, losing, among others, the benefit of frequency re-use.
 - Geographic area licensing is designed to, among other purposes, enable licensees to initiate and discontinue service as they believe necessary. A requirement to provide a channel 16 watch (and presumably notify the Coast Guard when that watch is discontinued) is inconsistent with that licensing scheme.
- A requirement for Maritel to maintain a Channel 16 watch in Coast Guard unserved areas produces perverse results.
 - > Such a requirement will provide a disincentive to provide VPC service in areas where Maritel does not provide service today and where the Coast Guard does not provide a watch. Therefore, instead of at least Maritel service in such an area, there will continue to be no service.
 - > Such a requirement will be a disincentive for the Coast Guard to perform services.